

# **EDMONDS CITY COUNCIL APPROVED MINUTES**

## **December 6, 2011**

The Edmonds City Council meeting was called to order at 6:30 p.m. by Mayor Earling in the Council Chambers, 250 5<sup>th</sup> Avenue North, Edmonds.

### **ELECTED OFFICIALS PRESENT**

Dave Earling, Mayor  
Strom Peterson, Council President  
Steve Bernheim, Councilmember  
D. J. Wilson, Councilmember (Arrived at 7 p.m.)  
Michael Plunkett, Councilmember  
Lora Petso, Councilmember  
Adrienne Fraley-Monillas, Councilmember  
Diane Buckshnis, Councilmember

### **ALSO PRESENT**

Alex Springer, Student Representative  
(Arrived at 7 p.m.)

### **STAFF PRESENT**

Al Compaan, Police Chief  
Stephen Clifton, Community Services/Economic  
Development Director  
Phil Williams, Public Works Director  
Shawn Hunstock, Finance Director  
Carrie Hite, Parks & Recreation Director  
Rob Chave, Planning Manager  
Carl Nelson, CIO  
Bertrand Hauss, Transportation Engineer  
Frances Chapin, Cultural Services Manager  
Rob English, City Engineer  
Jeff Taraday, City Attorney  
Sandy Chase, City Clerk  
Jana Spellman, Senior Executive Council Asst.  
Jeannie Dines, Recorder

### **1. CONVENE IN EXECUTIVE SESSION REGARDING LABOR NEGOTIATIONS PER RCW 42.30.140(4)(B).**

At 6:30 p.m., Mayor Earling announced that the City Council would meet in executive session regarding labor negotiations per RCW 42.30.140(4)(b). He stated that the executive session was scheduled to last approximately 30 minutes and would be held in the Jury Meeting Room, located in the Public Safety Complex. No action was anticipated to occur as a result of meeting in executive session. Elected officials present at the executive session were: Mayor Earling, and Councilmembers Bernheim, Plunkett, Fraley-Monillas, Buckshnis, Peterson, and Petso. Others present were City Attorney Jeff Taraday, Police Chief Al Compaan, Interim Human Resources/Parks & Recreation Director Carrie Hite, Human Resources Manager MaryAnn Hardie, Human Resources Consultant Tara Adams, Rosa Fruehling-Watson, City Attorney's Office, and City Clerk Sandy Chase. The executive session concluded at 7:02 p.m.

At 7:05 p.m., Mayor Earling reconvened the regular City Council meeting in open session and led the flag salute.

### **2. APPROVAL OF AGENDA**

Council President Peterson requested Agenda Item 9 be moved to precede Agenda Item 8, noting there is an hourly consultant present to provide a report regarding Agenda Item 9.

**COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AGENDA AS AMENDED. MOTION CARRIED UNANIMOUSLY.**

**3. APPROVAL OF CONSENT AGENDA ITEMS**

**COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PLUNKETT, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:**

- A. ROLL CALL**
- B. APPROVAL OF CITY COUNCIL MEETING MINUTES OF NOVEMBER 22, 2011.**
- C. APPROVAL OF CLAIM CHECKS #129029 THROUGH #129068 DATED NOVEMBER 21, 2011 FOR \$559,705.28, AND CLAIM CHECKS #129069 THROUGH #129220 DATED DECEMBER 1, 2011 FOR \$392,447.78.**
- D. AUTHORIZATION FOR MAYOR TO SIGN A PROFESSIONAL SERVICES AGREEMENT WITH PARAMETRIX FOR DESIGN SERVICES WITH RESPECT TO THE MAIN STREET DECORATIVE LIGHTING AND SIDEWALK ENHANCEMENTS PROJECT.**

**4. ADOPTION OF BOND ORDINANCES AND RESOLUTION.**

Finance Director Shawn Hunstock explained there are two ordinances for consideration; one related to LTGO bonds and the other related to revenue bonds. Page 161 of the packet contains options for the portion of the bonds proposed to be refunded related to the Marina Beach project, the 2001B bonds. The LTGO bond ordinance is on packet page 90 and details regarding the savings from the bonds begins on page 158. The LTGO bonds are not to exceed \$12.5 million for refunding of the 1998, 2001A, 2011B and 2002 bonds; this bond issuance is all refunding with no new money. The total savings for this refunding is approximately \$956,000; present value approximately \$806,000.

Mr. Hunstock explained the ordinance regarding the revenue bond is on packet page 115 and details regarding the savings from the portion that is being refunded is on page 164. The revenue bond ordinance is not to exceed \$16.5 million, approximately \$2 million is refunding; the remainder is new money. Revenue bonds are paid by the City's utility funds. The two refundings are the 1998 bonds and the 2003 bonds, both used for past water and sewer projects. There is approximately \$11 million in new money; \$6.5 million for water, \$1.1 million for sewer and \$3.2 million for stormwater.

**Alan Dashen, A. Dashen & Associates**, explained the City is doing two bond issues, one for water and sewer which they plan to sell next week. The other bond issue for the LTGO refunding bonds will be sold in early 2012. The water and sewer bond is part new money, part refunding; the LTGO bonds are all refunding. He displayed and reviewed a graph of the bond market from December 2001-December 2010, summarizing rates are at rock bottom and it is a great time to borrow money.

**Scott Bauer, A. Dashen & Associates**, referred to a graph of the outstanding water and sewer revenue bonds, explaining next week's sale will refinance the 2003 and 1998 water and sewer bonds, present value savings of approximately \$84,000. In addition to refunding those issues is a 20-year bond issue for new money to pay for capital projects.

Mr. Bauer displayed a graph of all the City's outstanding LTGO bond issues; the bonds being refunded are the 2002, 2001, 2001B and 1998 bonds for a total present day savings of approximately \$806,000. He anticipated that bond issue would occur in early 2012.

Councilmember Buckshnis asked whether the 2007 LTGO bonds would also be refunded. Mr. Bauer answered those were not proposed to be refinanced at this time. Their call date is 2016; if it were

refinanced now, the money would be put in the bank for about five years which would not be cost effective.

**Alice Ostdiek, Foster Pepper**, recalled she was here in February 2011 regarding an authorization to do some the same refundings which did not occur. The Council's action tonight will repeal the prior ordinance and adopt the proposed ordinance. There are two ordinances and a resolution, the first ordinance is for LTGO bonds, the second ordinance is for the water and sewer revenue bonds and the resolution is in regard to post issuance compliance with tax and security laws.

With regard to the LTGO bond issue, Ms. Ostdiek explained the ordinance authorizes the issuance of bonds to refund the bonds identified by Mr. Bauer. If one of the refundings did not produce savings, under this ordinance, the City's Finance Director has the authority to pull it to ensure the savings threshold is met. The ordinance authorizes the team to price the bonds and ensure the savings threshold is met and if so, sign the final documents. This is the final action that the Council will take with regard to these bonds. The LTGO bond issue is a straight forward pledge of the City's full faith, credit and taxing power; it also includes a pledge of certain Real Estate Excise Tax (REET) revenues and certain revenue that the City receives from the Public Facilities District (PFD).

Council President Peterson referred to the Wenatchee PFD. Ms. Ostdiek answered this is nothing like the Wenatchee PFD issue that has been in the news. Edmonds has an agreement with the Edmonds PFD; the City originally issued the 2002 LTGO bonds in order to start construction and renovation of the Edmonds Center for the Arts (ECA). The 2002 bonds are City bonds. On a later date, the PFD issued bonds which the City guaranteed; those are not included in this bond refunding. She assured the agreements between the City and the Edmonds PFD are very different than the Wenatchee PFD.

Ms. Ostdiek referred to the water and sewer revenue bond ordinance, explaining it is for new water, sewer and stormwater projects. The ordinance includes an exhibit describing the projects; stormwater projects were inadvertently omitted from that exhibit and will be included in the ordinance when it is finalized. The stormwater projects are included in the City's adopted Capital Improvement Plan. Because all the City's outstanding revenue obligations were refunded, they provided a new, clean, modern revenue bond ordinance, updating the covenants, coverage and reserve requirements, etc. There were some provisions in the old ordinance that related to bond issuances in the 1970s and 1980s that were cleaned up in the proposed ordinance. The standard provisions are the City pledges to maintain rates and charges for all three utilities sufficient to support the debt service and take care of operation and maintenance of all three utilities, the City will maintain a reserve to provide for debt service in case of any shortfalls and will not sell or dispose of the utility without making provisions to provide for the bond holders.

Ms. Ostdiek explained the resolution adopts a post issuance compliance policy. Over the last several years the IRS and SCC have become increasingly concerned about municipalities' ability and willingness to track their continued compliance with certain tax and security law requirements after bonds are issued. The resolution establishes a system for the City to ensure those laws are complied with, ensuring certain disclosures are made to the bond market on an annual basis and when certain events occur and that the use of the bond finance facilities is still within the parameters set by federal tax law.

Mr. Hunstock displayed and reviewed a spreadsheet with options for extending terms of 2001B bonds (packet page 169). He explained the question is whether it makes sense at the same time the bonds are refinanced to extend the life of the bonds. Option 1, equal savings, is recommended by administration. Option 2, front-loaded savings, would defer principal payment to later years with upfront savings. Option 3, extended debt service, extends the debt service an additional 10 years to 2031. The cost of extending the bonds due to additional interest during the 10 years is approximately \$166,000. He explained the \$166,000 is compared to the current bond; comparing it to Option 1, refinancing the bonds, the bottom

line is \$1,609,911 for debt service in Option 1 compared to debt service of \$1,996,202 in Option 3, a cost of \$386,000 to extend the life of the bonds versus refinancing at the current rate.

Mr. Hunstock explained approximately \$300,000 in debt service will come off the books in 2015, freeing up some capacity for additional debt should the City Council choose to do so. If the life of the bonds is not extended there would be some savings now via refunding. If an opportunity arises in the next year, a debt service could be structured so that principal repayment begins in 2015 after the \$300,000 comes off the books with interest payments made in the meantime. The savings on the refinancing would cover the additional interest payment during that time period. He summarized it was not necessary to extend the life of the bonds to free up capacity; the City would have the capacity with the \$300,000 coming off the books in 2015. Administration's recommendation is to refund via Option 1, with savings through 2021.

Councilmember Wilson asked why not Option 3, pointing out the City can lock in very low interest rates for the foreseeable future, particularly if in 2015 the Council may decide to take on more debt. The City has a cash flow problem now and it makes sense to lower the cash outlay, save \$80,000 in cash flow even if that costs a little more by 2031. Mr. Hunstock referred to packet pages 170-172 which project out the finances for the bond through 2021 and through 2031. He relayed his and Parks & Recreation Director Carrie Hite's belief that the City can afford to pay the refunding amount which would save approximately \$21,000/year. He acknowledged it would be tight with a \$20,000/year savings; the \$80,000/year savings by extending the life of the bonds would help although it may result in less flexibility in addressing emergent needs that may arise between now and 2015. He noted the cost of extending the life of the bonds, \$386,000, with a limited revenue source, REET. He acknowledged that cost was over a 20 year time period.

Councilmember Wilson understood the logic but to the extent it is a cost/benefit analysis, he said 20 years of savings equal to \$386,000 is approximately \$16,000/year. He supported savings of \$80,000/year versus \$16,000/year and extending the bonds with a very low interest rate rather than paying it off to take on more debt at a future, more uncertain time. If that logic were the best logic, the argument would be to pay all the bonds off today rather than refund them.

Councilmember Petso commented she was initially in favor of extending the bonds. If the Council approves the extended payment, it would free up \$80,000/year for other needs. Mr. Hunstock agreed. She inquired about work-arounds if the Council did not approve that option. Mr. Hunstock explained for example if the Council identified property they wanted to purchase next year, it could be structured so that principal repayment begins in 2015 when the \$300,000 in debt services come off the books, essentially freeing up that capacity. Another potential solution is an interfund loan for the time period between now and 2015 when the debt services come off the books and the interfund repaid in 2015 from the 126 fund.

Councilmember Petso recalled the City was receiving approximately \$600,000 in REET revenue per year and has debt service of approximately \$700,000. She asked if refinancing alone solves that imbalance. Mr. Hunstock answered with the refunding, there is approximately no loss/no income in the REET fund. If REET revenue continues to decline, there will be a cash flow issue.

Councilmember Buckshnis agreed with Councilmembers Petso and Wilson, expressing her support for locking in the lower interest rate and extending the term, saving \$80,000/year.

**COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER WILSON, TO ADOPT ORDINANCE NO. 3862, AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, RELATING TO CONTRACTING INDEBTEDNESS; PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$12,500,000 OF THE CITY'S LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS TO CARRY OUT THE REFUNDING OF CERTAIN OUTSTANDING LIMITED TAX GENERAL OBLIGATION BONDS OF THE CITY AND TO**

**PAY THE ADMINISTRATIVE COSTS OF SUCH REFUNDINGS AND THE COSTS OF ISSUANCE AND SALE OF THE BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE FINANCE DIRECTOR AS THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE AND ISSUANCE OF THE BONDS, TO APPOINT A REFUNDING TRUSTEE AND TO TAKE CERTAIN OTHER ACTIONS WITH RESPECT TO CARRYING OUT THE REFUNDINGS AND THE ISSUANCE OF THE BONDS; AND REPEALING ORDINANCE NO. 3837 OF THE CITY AND EXTENDING THE 2001B ISSUE AN EXTRA 20 YEARS.**

Councilmember Plunkett did not support the motion, explaining it is based on the premise that the Council will choose to take on more debt so why not extend the debt. He felt this simply extended the bond and increased the debt when there are other options. He did not support extending the bonds to increase debt for a short term gain.

Councilmember Bernheim agreed with Councilmember Plunkett. He questioned the rationale for extending the bonds in light of Mr. Hunstock's recommendation to pay the bonds off in a shorter period of time.

Councilmember Wilson commented locking in debt at the lowest possible rate is a good thing because it frees up the ability to do a number of other things. In the past few years the Council has placed five matters on the ballot for citizens to increase the City's cash flow: the EMS levy, the TBD ordinance and the three recent levies. If cash flow is enough of a concern that citizens are asked to assist, the Council should do whatever possible to help the cash flow situation. In this case an improvement in the cash flow situation is achieved via a low interest payment over an extended period of time. It increases interest costs nominally as they are spread over 20 years. He summarized this is smart cash flow management.

**MOTION CARRIED (5-2), COUNCILMEMBERS PLUNKETT AND BERNHEIM VOTING NO.**

**COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO ADOPT ORDINANCE NO. 3863, AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, RELATING TO THE COMBINED WATER AND SEWERAGE SYSTEMS COMPRISING THE WATERWORKS UTILITY OF THE CITY; SPECIFYING, ADOPTING AND ORDERING THE CARRYING OUT OF A SYSTEM OR PLAN OF ADDITIONS TO AND BETTERMENTS AND EXTENSIONS OF THE COMBINED WATERWORKS UTILITY; PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$16,500,000 OF THE CITY'S WATER AND SEWER REVENUE BONDS: (A) TO PAY ALL OR A PORTION OF THE COSTS OF CARRYING OUT THAT PLAN OF ADDITIONS, (B) TO CARRY OUT THE REFUNDING OF THE CURRENTLY OUTSTANDING WATER AND SEWER REVENUE BONDS OF THE CITY AND PAY THE ADMINISTRATIVE COSTS OF SUCH REFUNDING, (C) TO FUND THE RESERVE REQUIREMENT, AND (D) TO PAY THE COSTS OF ISSUANCE AND SALE OF THE BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BONDS; AND APPOINTING THE FINANCE DIRECTOR AS THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE AND ISSUANCE OF THE BONDS, TO APPOINT A REFUNDING TRUSTEE AND TO TAKE CERTAIN OTHER ACTIONS WITH RESPECT TO CARRYING OUT THE REFUNDING AND THE ISSUANCE OF THE BONDS.**

**MOTION CARRIED UNANIMOUSLY.**

**COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO ADOPT RESOLUTION NO. 1265, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, ADOPTING A POLICY FOR POST-ISSUANCE COMPLIANCE AND PROCEDURES FOR BOND ISSUES. MOTION CARRIED UNANIMOUSLY.**

5. **PUBLIC HEARING ON A POTENTIAL AMENDMENT TO THE COMPREHENSIVE PLAN MAP THAT WOULD ADJUST THE BOUNDARIES OF THE MEDICAL/HIGHWAY 99 ACTIVITY CENTER.**

Planning Manager Rob Chave advised the Council previously discussed this matter, referred it to committee and the Planning Board. The question to the Planning Board was:

- Is single family development appropriate to be included in designated Activity Centers?
- Specifically, should the Medical/Highway 99 Activity Center boundary be redrawn to remove single family areas from being part of the activity center?

Goals for activity centers include the following:

- A. Provide a pedestrian-oriented streetscape environment for residential and commercial activity.
- B. Encourage mixed-use development patterns that provide a variety of commercial and residential opportunities, including both multi-family and small-lot single family development.
- C. Build on historical character and natural relationships, such as historic buildings, slopes with views, and the waterfront.
- D. Encourage transit service and access.
- E. Strategically plan for development and redevelopment that achieves a balanced and coordinated approach to economic development, housing, and cultural goals.

Mr. Chave explained the City has two activity centers, the Downtown Waterfront and the Medical/Highway 99. This concept has been included in the Comprehensive Plan for the past ten years. He displayed a map of the Downtown Waterfront and the Medical/Highway 99 Activity Centers, explaining there are a variety of uses within the boundaries of both activities centers including single family. The intent was to show that single family development is compatible with walkable, transit-oriented neighborhoods. This was partially in response to the regional effort to encourage density in areas with transit opportunities. In Edmonds, small lot single family is part of walkable areas, thus it was a positive statement to include them in activity centers rather than an indication that the areas should change. The only change that has occurred in the Medical/Highway 99 Activity Center is the neighborhood along 215<sup>th</sup> was changed from multi-family to single family. There are many single family areas in the Downtown Waterfront area as well as many pedestrians, illustrating single family neighborhoods contribute to the walkability, character and flavor of the area.

Mixed use includes small lot single family and single family is specified in the land use map and zoning for those areas. Any change to those single family areas would require a rezone as well as a Comprehensive Plan amendment, providing them strong protection. The Planning Board felt it appropriate to include more specific language regarding the protection of single family in the Medical/Highway 99 Activity Center. The Planning Board recommended adding the following clarifying language to the goals for the Medical/Highway 99 Activity Center:

To discourage the expansion of strip commercial development and encourage a cohesive and functional activity center that allows for both neighborhood conservation and targeted redevelopment that includes an appropriate mix of single family and multiple dwelling units, offices, retail, and business uses, along with public facilities

The Community Services/Development Services committee considered this matter and received additional testimony from residents in the southwest corner of the Medical/Highway 99 Activity Center who suggested the Council consider removing single family areas from the Activity Center. Staff still supports the Planning Board recommendation to change the language. He acknowledged the single family area in the southwest corner of the Medical/Highway 99 Activity Center includes large lot patterns and large ownerships potentially targeted by developers that are different than the other single family neighborhoods that are platted and built out. Given the lot pattern it makes some sense although staff feels the single family protections are strong.

If the Council is persuaded by the residents of the single family neighborhood along 220<sup>th</sup>, he urged the Council only to remove that area and allow the other areas to be considered in the next major overhaul of the Comprehensive Plan.

Mayor Earling opened the public participation portion of the public hearing.

**Colleen McDonald, Edmonds**, explained she lives within 300 feet of the Medical/Highway 99 Activity Center boundary. She supported the CS/DS Committee's recommendation to redraw the boundary to exclude the area bordered by 220<sup>th</sup> on the south, 218<sup>th</sup> on the north and west from 76<sup>th</sup> to 80<sup>th</sup>, omitting the strip of mixed use. The residents of the neighborhood support the change as it removes the impetus for developers to target their neighborhood such as they experienced with the failed proposal last year to build a 35,000 square foot medical building in the heart of their neighborhood. Removing their neighborhood will take away the perception that it is a good place for commercial development due to the large lots and location within the Medical/Highway 99 Activity Center. Residents purchased their homes in this neighborhood because it is a neighborhood, not because their homes are in the Medical/Highway 99 Activity Center. She urged the Council to preserve the neighborhood by removing that area from the Medical/Highway 99 Activity Center.

**Joe Lyon, Edmonds**, explained he lives just outside the Medical/Highway 99 Activity Center. He urged the Council to support the CS/DS Committee's recommendation, explaining that change would help keep their neighborhood a place for homes and families rather than businesses.

**Kathy Lester, Edmonds**, explained her family has lived within the boundary of the Medical/Highway 99 Activity Center for 12 years. With the exception of medical buildings on 76<sup>th</sup> Avenue W, the neighborhood is purely residential. Swedish Edmonds has stated they have no plans to expand beyond their current footprint. She felt hospital expansion should be within the Highway 99 corridor as the best and highest use of land near Highway 99 includes medical buildings. The best and highest use of land in their neighborhood is residential housing. Removing the Medical/Highway 99 Activity Center designation from their neighborhood would help preserve it as residential, preserving affordable single family housing in Edmonds. She relayed that she spoke for other residents in the neighborhood who feel the same way.

**Bruce Witenberg, Edmonds**, a resident of the Aurora Marketplace neighborhood, member of the Highway 99 Task Force and the Economic Development Commission, spoke on his own behalf as an advocate for preserving established single family neighborhoods. He agreed with the proposed changes to the Comprehensive Plan policy but felt it did not go far enough to protect single family residences in the Medical/Highway 99 Activity Center. Many of the neighborhoods in or bordering the Medical/Highway 99 Activity Center are long standing and deserve protection and represent some of the most affordable single family housing in Edmonds. He supported development in the Medical/Highway 99 Activity Center or along Highway 99 that gives a high priority to the protection of single family. Protections for these neighborhoods are needed beyond the Comprehensive Plan language such as zoning. Appropriate development on Highway 99 and in the Medical/Highway 99 Activity Center should be permitted but not without providing protection from the adverse impact of such development on single family neighborhoods. At a minimum he recommended replacing "allow for neighborhood conservation and targeted redevelopment" with "allows for preservation of established single family residential neighborhoods" to the language recommended by the Planning Board.

Hearing no further comment, Mayor Earling closed the public participation portion of the public hearing.

Councilmember Petso asked staff to comment on the language proposed by Mr. Witenberg. Mr. Chave answered it is worthy of consideration but preferred it be considered during the Comprehensive Plan

update process. He felt “neighborhood conservation” had the same meaning and was possibly stronger and broader as it implied protection of multi-family as well as single family neighborhoods.

Councilmember Buckshnis asked whether further language changes would be required if the single family area on 220<sup>th</sup> were removed from the Medical/Highway 99 Activity Center. Mr. Chave answered the ordinance would include an amended map; the only change would be the boundary along 80<sup>th</sup> would jog east and then south to 220<sup>th</sup>. If the other single family areas remain in the Medical/Highway 99 Activity Center, he recommended the Council accept the language recommended by the Planning Board. The Council could request the overall boundary, concepts and the language Mr. Witenberg proposed be considered during the Comprehensive Plan update.

Councilmember Plunkett asked if Planning Board review of the language proposed by Mr. Witenberg would be required. Mr. Chave explained the language has a slightly different meaning and he preferred to have the Planning Board review it. The Council could accept the Planning Board’s recommended language and omit the 220<sup>th</sup> single family neighborhood. Councilmember Plunkett asked whether the Council could include the language Mr. Witenberg proposed tonight. Mr. Chave responded neither he nor the Planning Board have had an opportunity to review the language in detail.

**COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO ACCEPT THE LANGUAGE RECOMMENDED BY THE PLANNING BOARD AND ALSO CHANGE THE BOUNDARY TO EXCLUDE ALL THE SINGLE FAMILY RESIDENTIAL AREAS IN THE MEDICAL/HIGHWAY 99 ACTIVITY CENTER.**

Council President Peterson clarified the motion is to exclude all single family areas. Councilmember Petso agreed the motion was not to just exclude the area on 220<sup>th</sup>. Mr. Chave asked whether it was her intent to exclude the single family neighborhood next to the hospital. Councilmember Petso responded her intent was to exclude the single family areas along the boundary.

Councilmember Wilson commented this was a substantively different amendment than was considered as part of the docket process and asked if another public hearing and process would be required. Mr. Chave answered yes and no, the Council’s question to the Planning Board was fairly broad, consider the entire boundary. Testimony at the Planning Board and their discussion focused on 220<sup>th</sup> area and the Planning Board did not consider the other areas. Staff also felt that area was somewhat different than the other areas. The other areas are platted and built out and there is little threat as a developer would need to purchase a number of properties to pursue a development. In the case of the 220<sup>th</sup> neighborhood, there is an arterial along the boundary; the other single family areas have cul-de-sacs and there is little possibility of a successful Comprehensive Plan or zoning change. He summarized the danger is very remote in the other single family areas because they are substantially different than the area on 220<sup>th</sup>.

Mr. Chave pointed out the language in the Comprehensive Plan regarding the Medical/Highway 99 Activity Center needs to be changed if all the single family areas are excluded from the Medical/Highway 99 Activity Center. The basis for the concept is connecting single family and multi-family neighborhoods to services in the area. Wholesale removal of the single family neighborhoods also removes that emphasis. He recommended a larger view of the concept rather than redrawing the boundary.

Councilmember Wilson asked if the proposed motion was a significant enough change with so many implications that it exceeds the scope of this docketing process. Mr. Chave answered changing all the boundaries is a substantial change that goes beyond the intent of this public hearing. He preferred the Council only make the boundary change along 220<sup>th</sup>.

Councilmember Wilson commented there are some parcels north of Lake Ballinger east of Highway 99 that are single family but in various levels of disrepair. He asked whether the southern boundary included those properties. Mr. Chave answered it did not.



Councilmember Plunkett noted Council's original interest was in all the single family areas; the Council did not narrow the focus, the Planning Board narrowed the focus to the 220<sup>th</sup>. He asked if another public hearing would be required if Council was interested in considering their original intent, all the residential areas within the Medical/Highway 99 Activity Center. Mr. Chave stated the advertisement for this hearing was broad enough that it included all the single family areas on the outskirts. He was uncomfortable making that wholesale change as it implied policy changes that are not under consideration.

Councilmember Plunkett asked what policy changes would be required. Mr. Chave stated Council could exclude the single family area on the periphery, which would be within what was advertised. However, some of policies would need to be amended which would require consideration by the Planning Board.

Councilmember Plunkett summarized the Council could exclude all the single family areas tonight and consider the implications to the language next year. Mr. Chave responded the next major Comprehensive Plan update will occur in 2014/2015. Removing single family in their entirety from the Medical/Highway 99 Activity Center is a different direction.

Councilmember Plunkett requested staff expand the map to the west so that the Council could see that area. He questioned why a small area of single family was included in the Medical/Highway 99 Activity Center when they are adjacent to other single family development. If the Council does accept Councilmember Petso's motion, there will be a small strip included in an area more prone to development and the neighborhoods to the west are not included.

Council President Peterson referred to the land use map for the Downtown Waterfront Activity Center, pointing out it includes single family neighborhoods. He feared in the future the Council may want to remove all the single family neighborhoods from the Downtown Waterfront Activity Center which he did not support. The proposed motion supports the language change recommended by the Planning Board that addresses neighborhood conservation and an appropriate mix of single family and multiple dwelling units, yet that language does not need to be included because the motion removes the single family areas. The motion changes the definition of an activity center. He agreed defining single family areas as part of an activity center provided greater protection because they are part of the concept. Conversely, pockets of single family may be less protected when commercial development is proposed. He summarized his concern with including language that references single family and conserving neighborhoods in activity centers and then excluding single family from the Medical/Highway 99 Activity Center.

Councilmember Plunkett commented the language was included to encourage the Council to accept the map. The language can be changed or removed; the important part is the boundary. The language was the Planning Board's proposal rather than working through the Council's suggestion. He agreed the Planning Board's language may be irrelevant if the map is amended to remove single family areas from the Medical/Highway 99 Activity Center.

With regard to Council President Peterson's comparison of the Downtown Waterfront Activity Center and the Medical/Highway 99 Activity Center, Councilmember Plunkett pointed out people who move to the downtown bowl do so because they want to live in a residential area within walking distance of downtown. The people living in residential areas near Five Corners and east toward the Medical/Highway 99 Activity Center moved there for a different reason, because they wanted to be in a residential area.

Councilmember Petso did not find it contradictory to adopt the single family language recommended by the Planning Board. The single family neighborhood on 215<sup>th</sup> will remain because they are not on the perimeter and there are single family dwellings in areas zoned multi-family. She recalled this issue arose as a result of a proposed change to lower SEPA thresholds; the Planning Board recommended lowering SEPA thresholds, environmental and quality of life protections, only in the Medical/Highway 99 Activity

Center and nowhere else. The Planning Board may not have considered the amount of single family neighborhood within the Medical/Highway 99 Activity Center. If specific zoning and code changes are to be made for designated properties, she preferred they have similar characteristics. With the proposed change, the Medical/Highway 99 Activity Center comes closer to a true hospital or Highway 99 neighborhood.

Councilmember Wilson referred to the Comprehensive Plan map, asking where the Highway 99 Activity Center ends on the south. Mr. Chave identified the Medical/Highway 99 Activity Center, explaining it includes part of the Highway 99 corridor and the area around the high school and hospital. There is no separate Highway 99 Activity Center; the Highway 99 Corridor is the entire length of Highway 99. The Medical/Highway 99 Activity Center is generally from 228<sup>th</sup> to 208<sup>th</sup>.

Mr. Chave observed the Council seems to be indicating the Downtown Waterfront Activity Center is different than the Medical/Highway 99 Activity Center; that needs to be discussed as part of the overall Comprehensive Plan. They were both identified as activity centers because the Downtown Waterfront is recognized as a current activity center and it was hoped the Medical/Highway 99 Activity Center might become more like that. If the Council wants to deemphasize the inclusion of single family in activities centers, he suggested that be considered as part of the Comprehensive Plan update.

Councilmember Wilson relayed from his ridealong with the Edmonds Police Department, he learned that 66-75% of the criminal activity in Edmonds happens on Highway 99. That is not typically in the Lake Ballinger neighborhoods, in many cases it is in this area, particularly the single family neighborhoods in the southeast corner of the Medical/Highway 99 Activity Center. He estimated 20% of the Edmonds Police Department calls are from that area. By taking this action, the Council is saying it does not want to see any integrated development into these single family neighborhoods; he preferred to see some redevelopment happen in the southeast corner of the Medical/Highway 99 Activity Center.

Councilmember Fraley-Monillas proposed removing the areas north and south of Edmonds-Woodway High School from the Medical/Highway 99 Activity Center. She asked about the designation of those properties. Mr. Chave explained these areas have been designated and zoned single family for a very long time. They have been included in the Medical/Highway 99 Activity Center since that concept was adopted in the Comprehensive Plan. The only proposed change is removing them from the boundaries of the Medical/Highway 99 Activity Center.

**COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER WILSON, TO AMEND THE MOTION TO EXCLUDE ONLY THE SINGLE FAMILY AREAS NORTHWEST AND SOUTHWEST OF THE HIGH SCHOOL AND THE HOSPITAL.**

City Clerk Sandy Chase clarified the amendment as follows: to limit the areas withdrawn from the Medical/Highway 99 Activity Center to the two distinct areas Councilmember Fraley-Monillas identified.

**UPON ROLL CALL, MOTION CARRIED (4-3), COUNCILMEMBERS WILSON, BERNHEIM, BUCKSHNIS AND FRALEY-MONILLAS VOTING YES; AND COUNCILMEMBERS PLUNKETT AND PETSO AND COUNCIL PRESIDENT PETERSON VOTING NO.**

**THE VOTE ON THE MAIN MOTION AS AMENDED CARRIED UNANIMOUSLY.**

**6. PUBLIC HEARING ON A PROPOSED CODE AMENDMENT TO ECDC 20.40.030 AND ECDC 17.40.020 ADDING LIMITED EXCEPTIONS FROM BUILDING HEIGHT LIMITS FOR (1) CERTAIN SOLAR ENERGY INSTALLATIONS AND (2) REPLACEMENT OF EXISTING ROOFTOP EQUIPMENT WITH ENERGY EFFICIENT UPGRADES.**

Planning Manager Rob Chave reviewed the request by the Council to the Planning Board:

- Consider a code amendment that would provide a limited height exception (3 feet) for roof-mounted solar installations.

- Similar to the exceptions granted for other rooftop appurtenances such as vent pipes (18 inches), standpipes (30 inches), elevator penthouses (3 feet) or chimneys (3 feet).

The Planning Board recommended:

- Exception for solar installations to exceed the height limit by up to 3 feet, permitted as a staff decision with notice
- Exception for solar installations on non-conforming buildings to allow up to an additional 3 feet, permitted as a staff decision with notice
- Exception for replacement of existing rooftop HVAC equipment with Energy Star equipment, up to 12 inches above existing equipment

Mr. Chave displayed photographs of rooftop solar installations, noting the solar installations on the Anderson Center confirmed that 3 feet was reasonable. The Planning Board also discussed solar installations on single family; most installations in single family neighborhoods are on peaked roofs. The Planning Board recommended the review consider reasonable solar access while minimizing view blockage. Staff's review would include notice to surrounding properties. If issues arose with regard to view or other aspects of the design, staff would act as mediators to bring the parties together to address view considerations while providing reasonable access for the solar installation. The Planning Board also suggested setting fees equal to "zero" for solar installations which could also apply to both building permit fees and staff decisions on the height exception.

For Councilmember Plunkett, Mr. Chave described existing exceptions for rooftop appurtenances. Councilmember Plunkett asked if the exceptions were granted via a staff decision. Mr. Chave stated no, they are reviewed as part of the building permit. If they meet the standard, they are allowed by right.

Councilmember Petso asked what happens if reasonable solar access requires blocking a view. Mr. Chave answered there is a right to some solar access. If there is a choice regarding the location, it needs to be installed where it blocks the least view possible.

Councilmember Petso asked whether there could be a claim that an installation is not cost effective even if it does not block another person's view. Mr. Chave answered cost effective is not the standard; reasonable access is the standard. He acknowledged reasonable access is not always the least expensive.

Councilmember Bernheim expressed his support for the Planning Board's recommendation.

Mayor Earling opened the public participation portion of the public hearing.

**Roger Hertrich, Edmonds**, recalled Mr. Chave's comment that most single family homes have pitched roofs and existing height limits are important in residential areas where views exist. He asked how the value of single family views differed from the value of multi-family views and if they are protected differently. He anticipated a 3-foot structure on a flat roof could eliminate a person's peek-a-boo view, compared to the size of the current exceptions. Under the proposal, a solar installation could be constructed from corner to corner over the entire flat roof of a building, basically raising the building height by 3 feet. He recommended there be a limitation on the use of solar to avoid this negative affect. He noted a Seattle provision that prohibits solar installations from blocking an adjacent property owner's solar access. He questioned whether there were criteria for the staff to use in making their decision.

Hearing no further comment, Mayor Earling closed the public participation portion of the public hearing.

**COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER BERNHEIM, TO DIRECT THE CITY ATTORNEY TO PREPARE AN ORDINANCE TO IMPLEMENT THE PLANNING BOARD'S RECOMMENDATION REGARDING SOLAR PANELS.**

**COUNCILMEMBER PLUNKETT MOVED, SECONDED BY COUNCILMEMBER PETSO, TO AMEND THE MOTION TO STRIKE THE LANGUAGE THAT ALLOWS FOR A STAFF DECISION.**

Councilmember Bernheim asked how the decision would be made. Councilmember Plunkett assumed to be granted an exception, the exception standards would need to be met and the decision would be appealable to the Hearing Examiner and the City Council. Mr. Chave responded if that language is removed, the exception would be handled the same as other exceptions; it is allowed by right and there is no notice or appeal.

Councilmember Plunkett suggested the exception would be accepted unless appealed to the Hearing Examiner whose decision is appealable to the City Council. Mr. Chave explained there can be only one appeal. The Council would need to determine who makes the decision and who would be the appellate body. That is not addressed in the existing code regarding exceptions for rooftop appurtenances. A staff decision is appealable to the Hearing Examiner. If the Council wants to hear appeals, the open record hearing would need to be at the Hearing Examiner.

**COUNCILMEMBER PLUNKETT WITHDREW THE AMENDMENT WITH THE AGREEMENT OF THE SECOND.**

Councilmember Plunkett observed the Planning Board is making a judgment that there be no fee for solar because of the value of solar. He noted the other rooftop appurtenances also have a social value and did not accept that solar had a greater value than other rooftop appurtenances.

**COUNCILMEMBER PLUNKETT MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO AMEND THE MOTION TO INCORPORATE A FEE FOR SOLAR PANELS.**

Mr. Chave explained unless the Council approved the Planning Board's recommendation that there be no fee for solar installations, there will be fees. There is currently a building permit fee for large installations such as the Anderson Center.

**COUNCILMEMBER PLUNKETT WITHDREW THE AMENDMENT WITH THE AGREEMENT OF THE SECOND.**

**COUNCILMEMBER PLUNKETT MOVED, SECONDED BY COUNCILMEMBER PETSO, TO REFER THIS MATTER TO THE COMMUNITY SERVICES/DEVELOPMENT SERVICES COMMITTEE. UPON ROLL CALL, MOTION FAILED (3-4), COUNCILMEMBERS BUCKSHNIS, PLUNKETT AND PETSO VOTING YES; AND COUNCIL PRESIDENT PETERSON AND COUNCILMEMBERS FRALEY-MONILLAS, BERNHEIM AND WILSON VOTING NO.**

Councilmember Fraley-Monillas asked the amount of the fee. Mr. Chave answered fees could be considered separately in a discussion that includes the Building Official. For small residential installations there is no building permit fee but there is an electrical fee; the City does not control the electrical fee. Larger commercial installations do require a building permit fee.

Councilmember Petso expressed support for the motion and for imposing fees appropriate to cover staff time. Recognizing there are reasons for subsidizing solar installations, the City is not in the subsidy business now and needs to charge fees necessary to recover staff time.

**UPON ROLL CALL, THE VOTE ON THE MAIN MOTION CARRIED (5-2), COUNCILMEMBERS BERNHEIM, FRALEY-MONILLAS, BUCKSHNIS, AND WILSON AND COUNCIL PRESIDENT PETERSON VOTING YES; AND COUNCILMEMBERS PETSO AND PLUNKETT VOTING NO.**

## **7. AUDIENCE COMMENTS**

**Bill Lambert, President, Edmonds South Snohomish County Museum & Historical Society Board,** explained their organization was founded in 1973, set up to administer the Society and oversee the operation for the museum in the Carnegie library building. They signed their first lease with the City in 1973 and currently operate with a lease that expires in February 2012. They plan to request the City extend that lease. Edmonds has benefited from their initiation and sponsorship of the markets. The market is annually rated a regional best by vendors and the public and people are often surprised the market is managed by the museum. He expressed the Board's willingness to continue to manage the public market and work with the City on the expansion or creation of a year-round public market. The market brings visitors to the city who patronize businesses and restaurants and the market aids in building the community's reputation and quality of life. Although the City provides the museum building, they raise all the funds to operate the Society. He requested the Society be part of the discussion of a year-round public market due to the potential unintended consequences on the successful operation of their non-profit business. He invited Councilmembers to become members of the Society at [www.historicedmonds.com](http://www.historicedmonds.com).

**Dave Page, Edmonds,** referred to Agenda Item 4, recalling in 1984/1985 the City was refinancing 17% bonds to 11%. When the Public Safety Complex was built, bonds were 9-10%. During most of his real estate, mortgage and banking career, interest rates have been above 7%. Never has money been as inexpensive as it is now, forced down arbitrarily by the Federal Reserve which will never happen again in this lifetime. He recommended refinancing everything such as a 30 year bond to 15 years at the same payment.

**Don Hall, Edmonds,** referred to Agenda Item 10. As a member of the Economic Development Commission (EDC), he explained their work is just beginning. The EDC has accomplished much in a short time but there is much more to do. The EDC is made up of 17 diverse community members. The economy is not improving and the City needs all the ideas the Commission can develop to facilitate recovery. He supported extending the term of the EDC.

**Roger Hertrich, Edmonds,** expressed concern there was no public hearing scheduled regarding transportation projects in the CFP/CIP. He recommended removing the traffic signal project at 9<sup>th</sup> & Caspers from the CIP. Next he commented on the use of grant funding, pointing out grants are public money. He objected to spending \$400,000 in grant funds to begin a \$2 million roundabout project with over \$70,000 in City money. He anticipated a poll of the neighbors would find a roundabout is the least favorable improvement for Five Corners. If a roundabout is constructed, he preferred a double lane versus a single lane as it was much safer. He relayed his experience driving through two roundabouts in Lake Stevens today, comparing it to a game of chicken. Edmonds has an older population who may have difficulty navigating a roundabout. He agreed roundabouts save time and reduce idling and emissions but is not what Edmonds needs.

**Bruce Witenberg, Edmonds,** one of the original members of the EDC, expressed his support for extending the sunset date of the EDC as proposed. He recalled all the Council and Mayoral candidates campaigned on platforms supporting economic development and clearly economic development is a high priority for moving the community beyond the current fiscal crisis. The EDC is a diverse group of individuals who put aside their personal agendas and worked to build consensus on a variety of projects with input from the community. He commented on staff time to educate the EDC on economic development in Edmonds, emphasizing the importance of reappointing a significant number of the current Commissioners in order to provide continuity as well as avoiding losing time and momentum.

**Ron Wambolt, Edmonds,** agreed with Mr. Hertrich's comments. He agreed grants are public money, recalling a recent comment that if the roundabout project does not proceed, much of the grant money will need to be repaid. He was strongly opposed to a roundabout at Five Corners, relaying his experience with

roundabouts in England, Montreal and Halifax, Nova Scotia. He pointed out Halifax has had traffic circles for at least 50 years; they all now have traffic lights due to numerous accidents in the roundabouts. Regardless of the amount of money that has been put into the design of the Five Corners roundabout, he preferred not to spend good money after bad.

## **9. NON REPRESENTED SALARY AND BENEFITS STUDY: SURVEY COMPARATORS.**

Interim Human Resources/Parks & Recreation Director Carrie Hite explained the Council recently awarded a contract to Public Service Personnel Consultants (PSPC) to complete a job description update, a Non Represented employee market survey, and update the Non Represented compensation policy. PSPC provided a presentation regarding the scope of work to the Council on October 25, 2011. Since that time PSPC has been working to complete the job description update and tonight PSPC will present their recommendation on the survey comparators in order to proceed with the Non Represented salary and benefit survey and the Non Represented compensation policy update.

**Matt Weatherly, President, Public Sector Personnel Consultants**, reviewed the project scope and deliverables:

- City-wide classification and job description updating study as authorized by Council.
- Project to include direct employee participation and input. Employees have completed a position analysis questionnaire describing their duties and responsibilities which will provide information for PSPC to propose updated and ADA and EEO compliant job descriptions for every position. Job duty information will be the basis for external comparisons.
- Non-represented Compensation Survey comparing City's total compensation plans by benchmark job, as well as benefits offerings and salary policies, to the appropriate marketplace(s).
- Updating of compensation policies for non-represented job titles and development of updated pay structure to ensure a fair, appropriate and competitive pay system.

He referred to the PSPC memo that identifies nearby and/or similarly sized jurisdictions with whom they proposed comparing Edmonds' jobs. He recommended comparing Edmonds jobs to similar jobs at the listed agencies; they would not be comparing cities but jobs based on job duties. He provided the following recommended data sources for the survey: Auburn, Kirkland, SeaTac, Bellevue\*, Lynnwood, Seattle\*, Bothell, Marysville, Shoreline, Burien, Puyallup, Everett\*, Redmond, Snohomish County\*, Issaquah, Renton\*, King County\*, Kent\*, and Sammamish. Differentials will be applied for size-sensitive occupations in the cities with an \*.

They will also include private sector data from published surveys for some occupations, such as finance, IT, engineering etc. They will attempt to collect base pay information from salary range entry to salary range top out as well as a comprehensive list of employee benefits or total compensation elements to include insurances, pension contributions, employer paid benefits of significance and cost. This may also result in the collection of anecdotal information regarding benefits that other cities offer non-represented positions that Edmonds may not. He summarized total compensation will include all benefits Edmonds offers compared to benefits offered by other cities.

Mr. Weatherly reviewed a sample base salary survey illustration that includes recommended job class, survey job class, participation organization, current midpoint, external aged midpoint and variance, individual employer rate, private sector ERI salary, published survey rate and prevailing rate. The actual comparison will include insurances, pension contributions, auto allowances, education incentives, etc. He anticipated designing a salary range table that includes minimum, mid-point and maximum. He suggested aligning the middle of the City's structure with market values, using midpoint to midpoint comparisons. The goal is to allow enough room toward the minimum for hiring an entry level person, driving people toward market value as they approach journey level of experience and competence.

Mr. Weatherly provided a pay range illustration where the minimum is 80% of midpoint, midpoint is 100% of pay range and maximum is 120% of midpoint.

Councilmember Wilson pointed out the City's policy has been to pay at the L-5 median of comparable cities. The proposal appears to be a policy change to set the center of the range at market value versus the maximum at L-5 in the current policy. Mr. Weatherly acknowledged it could be a diversion from existing policy. His preference would be to compare the City's current top-out to market top-out. His proposed method alleviates what could be fairly large discrepancies in range width from agency to agency. The compensation theory suggests the City's market value of a value is somewhere near the journey rate, leaving room at the bottom for a new hire and at the top for a star performer but driving the organization's compensation philosophy to ensure journey-level individuals able to competently perform all job duties are paid in the middle of the scale/range. The range width can be adjusted to be narrower or wider to ensure the minimum is 80-85% of midpoint and the maximum is 115-120% of midpoint.

Mr. Weatherly explained the goal, and what is missing in the City's existing policy, is an objective and sustainable mechanism to move people through pay ranges. The most common criticism of the existing policy is placing a maximum or L-5 value that no one can obtain. Some combination of market plus merit, potentially plus COLA would achieve some range penetration to ensure an individual with 5-7 years in their job reaches around the market value which is calculated at the mid-point. He will provide the Council with flexible and adaptable options in order to make a statement regarding overall goals and objectives with respect to total compensation.

Councilmember Wilson explained the Council has on occasion approved a scope of work that makes sense and consultants do the work but the process develops a disconnect between what the Council thought they were asking for and what they received. To the extent that Mr. Weatherly is working down a logical process that the Council approved, he encouraged Mr. Weatherly to check in with staff regarding how their work matches the Council's intent. He anticipated if the result was logical and fit within the scope but resulted in a substantive and major change from the L-5 policy, it was unlikely to be well received by the Council. Mr. Weatherly was hopeful their presence before the Council at least three times would alleviate those concerns and potential disconnects.

Councilmember Wilson clarified he had never heard the Council say they wanted to set the mid-range of the band at market; it has always been the top end of the range at the L-5 level. Mr. Weatherly explained the current minimums place the City at a distinct disadvantage in the market which was within the Council's right. Their survey will compare minimums and maximums and bring forward all that information to the Council to make an informed policy decision either within the framework of the existing policy or a new policy. There are significant differences between the historic mechanisms to move pay in union positions compared to non-represented positions; union salary growth is far outpacing non-represented positions. He clarified that just because a survey is done does not mean pay will increase. The policy will be a combination of the Council's desire to attract and retain high skilled staff as well as create and maintain a mechanism to incentivize employees to leave the union to take non-represented positions. There is currently significant compression between represented and non-represented positions due to the non-represented policy, structure development and historic lesser salary administration within a reasonable pay range. He wanted to ensure the City was compensating journey-level professionals and above individuals at market rates. His understanding of the RFP and scope of work is an exercise in due diligence to ensure the City is neither under or over compensating but fairly, equitably and consistently compensating non-represented positions. The goal is to present a survey model that is part of the policy to provide a tool/pattern to follow in subsequent budget years based on refreshing the survey data.

Mr. Weatherly described elements of the policy development:

- Survey comparators—model for now and future updates.
- Application of market data—pay structure comparisons and desired competitiveness level.

- Objective and sustainable in-range pay adjustments to assure retention and alleviate compression.
- Hiring, placement, and merit/market guidelines.

For Councilmember Plunkett, Mr. Weatherly explained there are two main issues, compression between represented and non-represented positions and historic practice of aligning the top of the pay scale that no one can reach with market values. Councilmember Plunkett asked what Mr. Weatherly was suggesting instead of L-5. Mr. Weatherly answered it would be a mid-point compensation policy. The current L-5 approach aligns the top of the pay scale with market value. Historically employees are hired at entry which is 20-30% away from market values which places the City at a distinct market disadvantage. Responding to Councilmember Plunkett, Mr. Weatherly stated not allowing employees to reach market value at the top places the City at a disadvantage.

Councilmember Fraley-Monillas asked if unemployment rates are factored into recruitment and retention. Mr. Weatherly stated factors such as furloughs, tiered approaches to total compensation, etc. would be considered. Due to higher unemployment, in theory the City should be able to be more conservative with its total compensation approach than 5 years ago. The City may be able to adopt a compensation plan at the 50<sup>th</sup> percentile or slightly less. He recommended non-represented pay growth be similar to what union employees experience. It may not be via COLAs or negotiated increases but may be merit-based.

Councilmember Fraley-Monillas explained she mentioned unemployment as a factor because the City has received 46 applications for the Mayor's executive assistant position and expect to receive up to 80 applications. Mr. Weatherly noted the pay band for that position is \$57,000 - \$87,000; to his knowledge the City had not hired anyone above the entry rate although there could be exceptions. The City's policy would not allow that person to ever reach \$87,000 at the top of the pay range. He acknowledged the City could be more conservative with its pay approaches in this economy. He expected the City would be able to hire a very qualified individual, perhaps one with experience in the public sector. He reiterated the goal was not to give all employees an increase. Their mission is to provide true and fair total compensation market value of all the jobs. He was seeking input regarding what agencies the City was most susceptible to loss, recognizing that nearly all employees were already within commuting distance when they accept their position with Edmonds. There are few positions within cities where an employee is expected to relocate. He invited questions regarding the cities or the data sources.

Councilmember Petso recalled her concern when the current policy was developed with only looking at King, Pierce and Snohomish Counties for comparables and excluding cities that are logically within the marketplace such as Bremerton. She noted Bremerton was not on the list of cities but seems to be comparable to Edmonds with regard to size and possibly duties and a recent hire still lives there. She was not happy with the old comparable cities and is less happy with the proposed comparable cities. She suggested adding Olympia, Bremerton, Des Moines, and University Place, cities that seem more like Edmonds than Bellevue, Everett and Seattle. Mr. Weatherly answered he prepared the list, not staff. He suggested identifying cities that are within reasonable commuting distance that compete for employees. The intent of this discussion is to get Council feedback on the list of cities. He asked what made Bellevue less like Edmonds and Bremerton more like Edmonds.

Based on the last two director hiring experiences, Councilmember Petso preferred not to limit cities to commuting distance. She noted the other person interviewed for the Parks & Recreation Director position was from Ellensburg and the runner up for the Finance Director position was from Bellingham. Because the City receives applications from a wide distance, she suggested broadening the comparisons to include at least statewide.

Councilmember Wilson commented 13 of the 19 comparable cities are in King County and they will likely have higher cost of living than Marysville for example. He suggested if SeaTac is included, also including Stanwood which would lower the band's net average. Mr. Weatherly commented there is a



significant cost of living differential between western and eastern Washington, 15-20% in some instances. Although an eastern Washington city may have a similar population, he would recommend adding 15% to their data. He invited the Council's feedback now rather than in 90 days when they present data.

Councilmember Buckshtis referred to the WCIA survey. Mr. Weatherly responded they will be referencing that in the data and analysis.

Councilmember Bernheim observed 10 of the comparable cities have higher populations than Edmonds and six have lower populations. Larger cities may have characteristics less like Edmonds; Edmonds may have more characteristics in common with smaller cities such as being primarily residential without a larger commercial base. He suggested comparing Edmonds' mid-point to similar cities. Mr. Weatherly responded the City's existing policy identifies comparable as four cities above and four cities below Edmonds' population within King and Snohomish Counties. He explained there is not a direct correlation between size and pay.

Ms. Hite inquired about next steps, observing the Council wanted to change the comparator cities.

Councilmember Wilson suggested Ms. Hite and Mr. Weatherly prepare three groups of cities with clear rationale regarding their grouping and the Council vote on the three. This could be accomplished via a written report and would not require Mr. Weatherly's presence. The Council agreed with that approach.

**COUNCILMEMBER WILSON MOVED, SECONDED BY COUNCIL PRESIDENT PETERSON, TO EXTEND THE MEETING FOR 90 MINUTES. MOTION CARRIED UNANIMOUSLY.**

**8. DISCUSSION ON FIVE PROJECTS RELATED TO THE CAPITAL FACILITIES PLAN ELEMENT UPDATE (2012-2017) TO THE CITY'S COMPREHENSIVE PLAN AND CAPITAL IMPROVEMENT PROGRAM: FIVE CORNERS ROUNDABOUT, 9TH AVE TRANSPORTATION IMPROVEMENTS, TRAFFIC CALMING PROGRAM, 4TH AVE CULTURAL CORRIDOR AND PUBLIC MARKET.**

Council President Peterson explained this agenda item was a discussion to narrow the focus and a public hearing is scheduled on December 20.

Mayor Earling declared a brief recess.

(Councilmembers Wilson and Fraley-Monillas left the meeting at 10:00 p.m.)

Public Works Director Phil Williams explained the Council held a public hearing in October regarding the Capital Facilities element of the Comprehensive Plan as well as discuss projects in the Capital Facilities Plan (CFP). At the conclusion of that meeting, the Council requested additional information regarding six separate projects:

1. Five Corners roundabout
2. 9<sup>th</sup> Avenue & Walnut
3. 9<sup>th</sup> Avenue & Main
4. 9<sup>th</sup> Avenue & Caspers
5. 4<sup>th</sup> Avenue Cultural Corridor
6. Public Market

Mr. Williams introduced the team: City Engineer Rob English; Transportation Engineer Bertrand Hauss, Brian Walsh; Washington State Department of Transportation, Traffic Design and Operations Engineer; and Victor Salzman, Project Manager for the design and right-of-way phase of the Five Corners roundabout, David Evans and Associates.

## **Roundabout**

Mr. Williams recognized the question of whether a roundabout is the right answer for Five Corners. He explained the roundabout will:

- Dramatically reduces traffic congestion
- Reduces air pollution
- Reduces accidents
- Improves aesthetics
- Facilitates future development in the area of Five Corners
- The design and right-of-way phase is grant funded (Congestion Relief and Air Quality grant)

He displayed a rendering of the roundabout, identifying the splitter islands at each intersection. He described the current status of the intersection:

- Stop controlled at all 5 approaches
- 1700 vehicles go through during the week during the average PM peak hour or 1,015,000 vehicles/year
- The need for improvement is identified as a concurrency project in the 2002 and 2009 Transportation Plan
- Level of service (LOS) exceeds the City's LOS standard D

Mr. Williams recognized:

- Drivers are generally opposed to roundabouts when first suggested
- Most opposition is from a lack of experience driving modern roundabouts
- Some equate roundabouts to east coast rotaries or traffic calming circles
- Roundabouts are broadly accepted after construction and acceptance tends to increase over time

Mr. Williams provided a graph illustrating only 31% of people surveyed favor a roundabout when first proposed and 41% strongly oppose it. After the roundabout is built, the numbers change to 63% in favor and only 15% strongly opposed. In the State of Washington 205 roundabouts have been built since 1997 and over 3000 nationwide. He provided feedback from Gig Harbor which has 7, Sammamish which has 3 and Woodinville which has 6 regarding initial opposition to roundabouts and support of roundabouts since their installation. He summarized reasons for a roundabout at Five Corners:

- Congestion relief
- Air quality improvement
- Accident reduction
- Restore LOS
- Other reasons
  - Facilitate future development
  - Stormwater quality/quantity improvements
  - Financial prudence

Mr. Williams provided a projected intersection delay comparison:

<b>Item</b>	<b>Existing Conditions</b>	<b>Traffic Signal</b>	<b>Roundabout</b>
2009	115 seconds (LOS F)	50 seconds (LOS D)	10 seconds (LOS A)
2015	172 seconds (LOS F)	61 seconds (LOS E)	12 seconds (LOS B)
2025	204 seconds (LOS F)	83 seconds (LOS F)	12 seconds (LOS B)
Meets required service level	No	No	Yes

With regard to air quality, Mr. Williams explained the improvement to air quality is the reason the City received the grant. He provided the following facts with regard to air quality:

- Reduces vehicle delay by 145,400 hours/year

- Cost savings to citizens of \$2.54 million/year
- 92,880 gallon/year fuel savings
- 80,168 lbs. carbon reduction, carbon footprint reduced by 40 tons
- 2,500 lbs. NOx reduction
- 4,000 lbs. hydro carbon reduction

With regard to accident reduction, Mr. Williams provided diagrams and described eight accidents that have occurred at the Five Corners intersection 2007-2010. He displayed a drawing of the current intersection and identified the 18 potential vehicle conflict points and 13 potential conflict points between vehicles and pedestrians. He displayed a drawing of the conflict points in a roundabout, pointing out there are fewer potential conflict points and they are in more predictable locations.

Mr. Salzman displayed a video of vehicles and pedestrians navigating the current intersection.

Mr. Williams provided a graph regarding collision reduction in roundabouts, relaying a 37% reduction in overall collisions, 75% reduction in injury collisions, 90% reduction in fatality collisions and 40% reduction in pedestrian collisions.

With regard to aesthetics, Mr. Williams displayed a photograph of a large utility pole, explaining the pole will be relocated as part of the project and it is hoped the utilities can be undergrounded as part of the project. He displayed a rendering of the roundabout, commenting it is a major aesthetic improvement over the existing intersection. He displayed photographs and renderings of existing and proposed conditions.

Councilmember Buckshnis referred to the rendering of the roundabout, explaining she grew up in an area of Portland where there are roundabouts. In response to concern with walking in a roundabout, she explained pedestrians know the direction of cars and the islands make crossing much safer. Bicyclists also like roundabouts because they are safer. Mr. Williams agreed pedestrian safety was improved due to the reduced crossing distance and pedestrians only need to reach the splitter island rather cross than the entire width of the roadway.

With regard to business impacts, Mr. Williams explained:

- No changes in access are required
- Business visibility is unchanged
- Parking impacts: 1 or fewer stalls per parcel
- 2-3 signs relocated or replaced
- Access improved
- Redevelopment potential realized by improved LOS

Mr. Williams explained a concurrency ordinance would be needed in Edmonds but the principal is that development that adds new traffic movements cannot be approved without addressing the problem. It will be difficult to increase the intensity of development at Five Corners if the intersection does not meet the City's LOS. With regard to right-of-way requirements, Mr. Williams displayed a drawing illustrating where right-of-way will be needed and areas where there may be surplus property that could be traded for right-of-way. Minor acquisitions are required at each corner. There will be no business relocations.

With regard to the statement that trucks cannot use roundabouts, Mr. Williams displayed a drawing illustrating the path of a semi-tractor trailer making a left turn. He also noted the following:

- Splitter islands designed for trucks
- Central island includes truck apron
- Current intersection design does not accommodate trucks for all movements
- 212<sup>th</sup> and 84<sup>th</sup> are designated truck haul routes

- Buses and emergency vehicles require less space than this vehicle

Mr. Salzman provided a video of a semi-tractor trailer making a U-turn in the existing intersection.

Mr. Williams provided a summary of roundabout benefit:

- Traffic flow improved by 90%+
- Concurrency failure eliminated through 2025
- Gateway treatment at Five Corners and into downtown
- Utilities undergrounded by the project
- Air quality improvement
- Non-motorized transportation improvements
  - Bike lanes
  - Flashing beacons
  - Reduction in pedestrian crossing distance with splitter island
- Drainage improved
- Encourages future development
- Grant funded: 87.5% of the cost of the design and right-of-way phase is funded. Would seek construction funding from the same grant source.

Mr. Williams displayed a video of a 5-legged roundabout in Glen Falls, New York with people commenting about initial opposition to the roundabout and support once it was constructed. He summarized he is convinced the roundabout at Five Corners is the right project at the right location.

Councilmember Plunkett asked if installing stop signs in the roundabout would affect the financing. Mr. Williams answered yes. The roundabout would not provide the benefits he outlined if stop signs were installed. Councilmember Plunkett asked if stop signs could be installed. Mr. Williams answered he did not think the City would receive grant money for a design that included stop signs. Councilmember Plunkett asked if the funds the City has received would need to be returned if the design included stop signs. Mr. Williams answered the City will need to submit a design package to WSDOT that meets their approval. He anticipated a design that included stop signs would not be approved and would not be built.

Councilmember Plunkett summarized if the design included stop signs it would be a different project and the City would need to reapply for grants. Mr. Williams explained the point of a roundabout is not having vehicles stop. Mr. Salzman commented since all roundabouts utilize yield signs in accordance with the Manual for Uniform Traffic Control Devices, installing stop signs would increase the City's liability.

Council President Peterson assumed with stop signs, the LOS would still be failing. Mr. Walsh explained a yield sign serves the purpose of giving right-of-way to the circulating roadway, operating like a partial stop sign and improving efficiency at the intersection. Including stop signs as part of a roundabout would result in discussions between Mr. Williams and WSDOT to describe the logic.

Council President Peterson asked if businesses in Five Corners, in the Medical/Highway 99 Activity Center and Swedish would have difficulty expanding due to the failed intersection. Mr. Williams answered if the City had a concurrency ordinance, that would be the tool to require transportation improvements. According to the principal of concurrency, if Swedish Edmonds' expansion added traffic movements in this intersection, the intersection's failed condition would need to be addressed.

Councilmember Bernheim commented on the lack of hard data regarding the Five Corners intersection. He found the table regarding delays difficult to believe, commenting the source of the data had not been provided. Residents have lived with this intersection for a long time and have figured out how to get through it, often using one lane as two lanes. Delays only occur 10-15 minutes/day. He was concerned

with the \$2 million cost of the project compared to other uses of those funds. His observation of the intersection was 100 cars every 5 minutes at 5:00 p.m. on a weekday. He was in favor of the project for many of the reasons expressed but it is a lot of money for a marginal improvement. Taxpayers want to get by without paying more for something better.

Mr. Williams responded 100 cars every 5 minutes was similar to the data he presented, 1700 cars/hour. He agreed the grant funds were public money from the Air Quality grant program. The City applied on a competitive basis and the panel decided that the Five Corners roundabout was the best investment. If the City turned the money down, it would likely go toward building a roundabout in another community where similar benefits would be affected. He agreed local funds would be required; a 13.5% match that would come from the City's gas tax revenues that are dedicated to transportation uses. The other 87.5% would come from the federal grant.

Councilmember Petso asked how much the City would need to pay back if the Council bailed on the project now. Mr. Williams explained approximately \$65,000 has been spent to date plus internal costs for a total of approximately \$70,000. If the Council decided not to do any more work on the project, any grant reimbursements received to date and expenses incurred to date would be the City's responsibility. If the design and right-of-way phase are completed, the complete grant is accessible. The local share of the funds, 13.5% or \$73,000-\$77,000 is approximately the same as the amount spent to date.

Councilmember Buckshnis recalled standing on the corner in Five Corners for three days during her campaign and finding it scary. She did not like to drive through the intersection due to the amount of traffic and was surprised pedestrians walk in the area. She compared this project to the marsh; the project was selected and the funds were provided. She anticipated people would say not in my back yard but once it was constructed they would love it. Although the roundabout is controversial she felt it was the smart thing to do.

Recognizing stormwater improvements will be part of the project, Council President Peterson asked if a portion of the design or construction phase of the project could be funded by utility funds. Mr. Williams answered there may be elements of the project that could be funded by stormwater funds. Traffic Impacts Fees are another potential revenue source. Council President Peterson summarized the design phase needs to be completed before other funding sources can be identified. This is a fantastic project that helps traffic, pedestrians, and the environment.

#### **Caspers St. @ 9<sup>th</sup> Avenue**

Mr. Hauss displayed a photograph of the northbound movement from 9<sup>th</sup> Avenue. He described existing conditions:

- Stop- controlled for northbound movement only (from 9<sup>th</sup> Avenue N accessing SR-524)
- Currently meeting LOS standards for Highways of Regional Significance (LOS E)
- Identified as a concurrency project in 2002 and 2009 Transportation Plan
- Project included in 2002 and 2009 TIF calculations

He provided a LOS comparison for this intersection:

<b>Year</b>	<b>LOS with existing conditions</b>	<b>LOS with traffic signal</b>
2009	LOS C (24 seconds)	
2015	LOS E (37 seconds)	
2025	LOS F (74 seconds)	LOS B (16 seconds)

Mr. Hauss reviewed the proposed improvement:

- Traffic signal installation
- Included in CFP, scheduled between 2018 and 2025

- Not included in the Transportation Improvement Plan (TIP) or the Capital Improvement Plan (CIP) as those only include projects schedule in the next six years
- Estimated cost for design, right-of-way and construction: \$1 million.

#### **Main Street @ 9<sup>th</sup> Avenue and Walnut St. @ 9<sup>th</sup> Avenue**

Mr. Hauss displayed photographs of northbound movements on 9<sup>th</sup> Avenue. He described existing conditions at both intersections:

- All way stop controlled intersections
- Single lane intersections
- Parking allowed on all approaches
- Identified as concurrency projects in the 2002 and 2009 Transportation Plans
- Projects included in 2002 and 2009 TIF calculations

<b>Main Street @ 9<sup>th</sup> Avenue</b>			
<b>Year</b>	<b>LOS with existing conditions</b>	<b>LOS with interim solution</b>	<b>LOS with traffic signal</b>
2009	LOS E (48 seconds)		
2015	LOS E (89 seconds)	LOS D (26 seconds)	LOS B (13 seconds)
2025	LOS F (132 seconds)	LOS D (29 seconds)	LOS B (16 seconds)

<b>Walnut Street @ 9<sup>th</sup> Avenue</b>			
<b>Year</b>	<b>LOS with existing conditions</b>	<b>LOS with interim solution</b>	<b>LOS with traffic signal</b>
2009	LOS E (48 seconds)		
2015	LOS E (89 seconds)	LOS D (26 seconds)	LOS B (13 seconds)
2025	LOS F (132 seconds)	LOS D (29 seconds)	LOS B (16 seconds)

Mr. Hauss reviewed the interim solution:

- Striping revisions only
  - 9<sup>th</sup> Avenue from Walnut to Main Street
    - 2 lanes for both north and southbound
    - Remove parking on both sides of the street
  - Main Street
    - 2 lanes for westbound movement
    - Remove parking for short stretch east of intersection only
- Scheduled for 2013 in TIP, CIP and CFP
- Estimated total cost \$20,000 (\$10,000 for each project)

Mr. Hauss reviewed the proposed long term improvement:

- Installation of traffic signal at each intersection
- Included in CFP, scheduled between 2018 and 2015
- Individual project estimated cost: \$1.1 million

#### **Traffic Calming Program**

Mr. Hauss described traffic calming expenditures in 2011:

- Citywide speed studies along 23 segments
  - Evaluation based on set of criteria
  - Priority list developed
- Radar feedback signs to be installed at three locations
  - Northbound Olympic Ave.
  - Northbound Olympic View Dr.
  - Southbound Olympic View Dr.
- Sunset Avenue Walkway project (between Bell and Caspers)

- Conceptual drawing with sidewalk, parking, and bike lane on west side of Sunset Avenue
- Lane width reduction
- Non-motorized transportation improvements

Mr. Hauss described future traffic calming program (annual budget 2012-2014: \$10,000)

- Additional speed studies/evaluations
- Install traffic calming devices on 1-2 segments
  - Semi-permanent radar feedback signs
  - Bulb-outs
  - Refuge islands
  - Speed cushions

The following could be funded if additional traffic calming program funds become available:

- Install mid-block pedestrian crossing in the Main Street project from 5<sup>th</sup> Avenue to 6<sup>th</sup> Avenue (estimated cost \$15,000)
- Additional traffic calming devices throughout the City where warranted

Councilmember Buckshnis asked if the failed LOS on 9<sup>th</sup> @ Walnut and 9<sup>th</sup> @ Main is due to the signal at 220<sup>th</sup> @ 9<sup>th</sup>. Mr. Hauss answered he did not believe the 200<sup>th</sup> @ 9<sup>th</sup> signal impacted the delay at those intersections. Councilmember Buckshnis preferred to retain the 4-way stop at the Main @ 9<sup>th</sup> and the Walnut @ 9<sup>th</sup> intersections, anticipating that a 20 second wait was not problematic for most motorists. Mr. Hauss explained the interim solution retains the all way stop and creates a two lane approach. Councilmember Buckshnis questioned whether the traffic signals needed to be retained in the CFP. Mr. Hauss advised the City's level of service standard would be achieved until 2025.

Mr. Williams commented the interim solutions at Main @ 9<sup>th</sup> and Walnut @ 9<sup>th</sup> could be very effective, were relatively inexpensive and provide a significant improvement for a long period of time although it results in the loss of a few on street parking spaces. There is no downside to leaving the ultimate, more expensive solution, the traffic signals, in the CFP. The City would not apply for or receive funding for a signal before one was warranted. The CFP requires looking into the future. There is no interim solution proposed for 9<sup>th</sup> @ Caspers. Retaining that signal in the CFP indicates that a signal will be warranted at that intersection in the future.

Councilmember Petso asked whether the Sunset Avenue project preserves the ability to park on Sunset Avenue. Mr. Williams answered the intent is to maintain the majority of the existing parking. A pedestrian walkway and bike lane will be added on the water side parallel to the existing parking.

Councilmember Plunkett asked the impact of the Council taking no action. Mr. Williams answered the CFP remains unchanged. The Council will need to take action to adopt the CFP. Councilmember Plunkett asked how projects could be removed from the CFP. Mr. Williams answered if the proposal is to remove a concurrency project, a public hearing is required. Both the Five Corners roundabout and the traffic signal at 9<sup>th</sup> @ Caspers are concurrency projects.

Council President Peterson commented there may be an opportunity to shift the dates in the CFP. City Attorney Taraday explained the CFP and CIP are tools for the Council to prioritize capital projects and forecast when they will be constructed. To the extent there is concern with a project, the CFP is not the go/no go decision. The construction phase of a project can be pushed out without making a definitive go/no go decision. Removing a project from the CFP has more significant ramifications from a concurrency standpoint than deferring it for a year.

#### **4<sup>th</sup> Avenue Cultural Corridor**

Cultural Services Manager Francis Chapin explained the 4<sup>th</sup> Avenue Cultural Corridor project identifies the potential of 4<sup>th</sup> Avenue as a key economic development project to create a pedestrian friendly corridor

to connect the Edmonds Center for the Arts at the north end of 4<sup>th</sup> Avenue and the core retail south of Main Street to encourage economic development. The 4<sup>th</sup> Avenue Cultural Corridor project has been included in a variety of plans. The City received a federal grant to develop a 15% level plan for the corridor.

Ms. Chapin displayed a drawing of the corridor, explaining it is a challenging roadway with only a 50-foot right-of-way. The corridor also contains a number of unique, historic buildings. The Planning Board created a unique zone for the corridor, BD-5. The concept for the corridor is to still have vehicular traffic while encouraging pedestrian flow, making it safer and more inviting for pedestrians. The project recommendation includes interpretive signage to highlight historic attributes. A piece of this project that will be undertaken in the next two years, artistic markers for the Cultural Heritage Tour, is funded by a matching grant from Preserve America and other grant funds. The Cultural Heritage Tour will be incorporated into the 4<sup>th</sup> Avenue Cultural Corridor but is a separate project in the CIP under the 4<sup>th</sup> Avenue Cultural Corridor.

Ms. Chapin summarized the 4<sup>th</sup> Avenue Cultural Corridor project will not move forward without grant funding from a wide variety of sources. The total estimated project cost in 2008 was \$5.2-\$5.6 million. The project is currently at a 15% level design and needs to be at 30% level design to be competitive for larger grants. The project needs to be included in the CFP/CIP to be eligible for grants. It will not necessarily proceed on the schedule identified in the CFP but inclusion in the CFP allows the opportunity to explore funding for the project in the future.

**COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO EXTEND THE MEETING FOR 15 MINUTES. MOTION CARRIED UNANIMOUSLY. (Councilmembers Wilson and Fraley-Monillas were not present for the vote.)**

#### **Downtown Year Round Public Market**

Parks & Recreation Director Carrie Hite recalled a few Councilmembers expressed interest last year in discussing a Downtown Year Round Public Market this year during the CFP process. The proposal is to include the Downtown Year Round Public Market in the CFP. It is in alignment with the Parks, Recreation and Open Space Plan. There is no particular property identified or any funding. Including it will allow it to be prioritized with other CFP projects.

Councilmember Plunkett observed a year round public market could drive the existing summer market out of business, resulting in their inability to maintain the museum building, etc. He asked whether there was any reason the Historic Society could not operate the year round market. Ms. Hite answered that would not be prohibited. It would be the Parks Department's intent to work in collaboration with the current market operator. Mr. Taraday explained a more detailed discussion regarding how to involve the current market operator would occur in the future.

Councilmember Petso asked whether a public hearing was required on this item. Ms. Hite answered it was part of the previous CFP public hearing.

**COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCIL PRESIDENT PETERSON, TO INCLUDE THE PUBLIC MARKET IN THE CFP. MOTION CARRIED UNANIMOUSLY. (Councilmembers Wilson and Fraley-Monillas were not present for the vote.)**

Council President Peterson suggested scheduling a public hearing on the Five Corners roundabout project and the transportation improvement at 9th @ Caspers on December 20. Since the interim solution on 9<sup>th</sup> Avenue at Main Street and Walnut are already in the CFP, a public hearing is not required. The issue of traffic calming was raised in the event additional funding was provided. Given the state of the budget, he suggested funding for traffic calming remain as proposed. The 4<sup>th</sup> Avenue Cultural Corridor is also already in the CFP.



Councilmember Plunkett inquired whether the public hearing notice needed to state the potential of the 9<sup>th</sup> @ Caspers and the Five Corners roundabout have the potential to be removed from the CFP. Mr. Williams answered yes.

**10. EXTENSION OF SUNSET DATE FOR CITIZENS ECONOMIC DEVELOPMENT COMMISSION.**

**COUNCIL PRESIDENT PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO MOVE THIS ITEM TO THE DECEMBER 20 MEETING. MOTION CARRIED UNANIMOUSLY. (Councilmembers Wilson and Fraley-Monillas were not present for the vote.)**

**11. MAYOR'S COMMENTS**

Mayor Earling reported he has enjoyed his first week in office enormously. He expressed his appreciation for staff's input and assistance. There are a lot of issues to undertake and staff is eager to address them.

Mayor Earling reported the selection process for the Mayor administrative assistant is underway. As of yesterday 46 applications for the position have been submitted and he expected 70-80 applications by the time the position closed on Wednesday. The plan is to screen applications by Friday, hold interviews December 13 and hopefully offer the position by the end of next week.

Mayor Earling reported he has begun visitations to City departments to learn the job descriptions of all staff members and to inform them of his open door. He anticipated it would take a month to visit all departments.

Mayor Earling expressed concern with the status of the Human Resources Department. Last Friday he signed a time sheet for Human Resources Manager MaryAnn Hardie for 60 hours and understood that has not been uncommon during the past several weeks. Interim Human Resources Director Carrie Hite who is also the Human Resources Director spends approximately half her time on Human Resources issues. In addition the City has contracted with Human Resources Consultant Tara Adams to work on personnel policies as well as work with the compensation consultant. There are 4-5 cases, 1 from Police, 2 from the Municipal Court and 2 from Public Works and a few personnel issues remaining from the last administration. In addition, Human Resources staff is in the process of hiring an accountant, a utility account technician, a records clerk, a plans examiner and administrative assistant as well as beginning negotiations with the Police Department. He was concerned the Council's decision a few weeks ago constrained his ability to address the workload. He has authorized up to 10 hours a week for an assistant to do filing. He was also concerned with the workload and potential legal exposure in the Human Resources Department.

**12. COUNCIL COMMENTS**

Council President Peterson thanked Mayor Earling and members of Fire District 1 for their participation in the acceptance of a 2-ton girder from the World Trade Center that is now on display at Station 17.

Council President Peterson reported there have been a number of burglaries in Edmonds. There have been some arrests but a large group of people are involved. The police remind residents to lock their doors, get to know their neighbors, set their alarm and call 911 if they see anything suspicious.

Councilmember Bernheim thanked Mr. Lambert for bringing the issue of the operation of the public market to the Council. He provided a reminder of the dedication of the Shell Creek emergency access road on December 8 at 2:20 p.m.

Councilmember Bernheim provided photographs of parking meters in Bellingham, noting economic development would not raise as much money as parking could. He anticipated the installation of electronic parking meters for commuter parking along Admiral Way could raise \$50,000 - \$100,000/year. He proposed this to the Parking Committee but they were all opposed.

Councilmember Bernheim congratulated Mayor Earling and commended him on his decision to open the administrative assistant position to an application process. He assured the City Council was ready to support his plan for the Human Resources Department.

Councilmember Bernheim presented Mayor Earling the last two No Idling signs to be installed in the City.

Councilmember Plunkett congratulated Mayor Earling and commended him on his first Council meeting.

**13. ADJOURN**

With no further business, the Council meeting was adjourned at 11:45 p.m.